



SENT TO COUNCIL: JAN 31 2006
by City Manager's Office
Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: January 30, 2006

Approved

Deanna Santana

Date

1/31/06

INFORMATION

**SUBJECT: PUBLIC HEARING TIMELINE FOR THE CONSOLIDATED PLAN
ANNUAL ACTION PLAN FOR FY 2006-07.**

SUMMARY

This memo serves to inform the Mayor and City Council about the timelines and hearing schedule for public meetings and City Council participation for the Consolidated Annual Action Plan, which outlines a community's plan for addressing its housing and community development needs and is a prerequisite for federal housing funding. This federally mandated report, prepared by the Housing Department and the Department of Parks, Recreation and Neighborhood Services, is updated each year for submittal to the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND

In 1990, then President George Bush signed the National Affordable Housing Act of 1990 (the Act), which reaffirmed the national commitment to provide decent, safe and sanitary housing for all. The Act restructured existing federal programs and required that jurisdictions providing matching funds ensure community participation and partnership.

The centerpiece of the Act is the Consolidated Plan, which outlines a community's plan for addressing its housing and community development needs and is a prerequisite for federal housing funding.

The federal government requires that cities annually combine the following federal documents into one Consolidated Plan submission:¹

¹ It does not combine the programs themselves.

1. The **Emergency Shelter Grant (ESG)** application, a program that provides matching formula grants to help fund the renovation of buildings used as emergency shelters, shelter operating expenses and other essential services to the homeless;
2. The **HOME Investment Partnership (HOME)** Program Description, a block grant-type program that provides financial assistance to help increase the supply of affordable rental and homeownership housing for low-income households, through the acquisition, rehabilitation or construction of affordable housing, or through the provision of tenant-based rental assistance;
3. The **American Dream Downpayment Act (ADDI)**, a program aimed at increasing the homeownership rate, especially among lower income and minority households, and to revitalize and stabilize communities. The program was created to assist low-income first-time homebuyers in purchasing homes by providing funds for downpayment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase.
4. The application for the **Housing Opportunities for People with AIDS Program (HOPWA)**, a program that provides local jurisdictions and nonprofits with resources and incentives to devise long-term strategies for meeting the housing needs of individuals with AIDS and their families; and
5. The **Community Development Block Grant (CDBG)** Final Statement, a program that supports the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low- and moderate-income households.

ANALYSIS

The preparation of the Consolidated Plan is guided by the following three major commitments and priorities expressed by HUD:

- To provide decent housing by assisting the homeless in obtaining appropriate housing; by preserving the affordable housing stock; by increasing the availability of permanent housing that is affordable to lower-income households without discrimination; and by increasing the supply of supportive housing for those with special needs.
- To provide a suitable living environment by improving the safety and livability of neighborhoods; by reducing the isolation of income groups within an area through de-concentration of housing opportunities and revitalization of deteriorating neighborhoods; by restoring and preserving properties of architectural, historic or aesthetic value; and by conservation of energy resources.

- To expand economic opportunities by creating jobs accessible to lower-income persons; by providing access for lower-income households to mortgage financing and credit for development activities that promote long-term community viability; and by empowering lower-income persons to achieve self-sufficiency to reduce poverty in federally-assisted and public housing.

To meet these objectives, the Consolidated Plan must include the following six components:

- (1) A housing and homeless needs assessment;
- (2) A housing market analysis;
- (3) An analysis of the priority needs and strategies and objectives to meet those needs, including both housing needs and non-housing community development needs;
- (4) An action plan, including a discussion of general priorities for the use of HOME, HOPWA, ESG funds and a list of the proposed projects to be funded under the CDBG program;
- (5) Certifications; and
- (6) A monitoring plan.

Every five years, the federal government requires that the entire document be updated. During the intervening years, only the Annual Action Plan must be submitted for approval, along with any substantial changes to the rest of the text. The FY 2005-2010 Consolidated Plan includes all of the required sections and includes information for this five-year time span. The five-year plan was adopted by the Mayor and City Council last year. This year only the Annual Action Plan 2006-2007 is needed for submission to HUD.

COST IMPLICATIONS

Without an approved Consolidated Plan, the City of San José will not be eligible to receive housing and community development funds – including CDBG, HOME, HOPWA and ESG funds – from the federal government.

PUBLIC OUTREACH

The Consolidated Plan regulations require that jurisdictions hold two public hearings for the Consolidated Plan – one hearing before the Plan is prepared in order to gain public comments on the community's needs and one after the Plan is published for citizen review. The federal government also requires a 30-day review period to receive public comments on the Plan.

The City of San José routinely holds more public hearings than required by the federal government. For the 2006-07 Annual Action Plan, the City will hold seven public hearings. Those hearings held by the Housing Advisory Commission (HAC) and CDBG Steering Committee are noticed in three languages (English, Spanish, and Vietnamese) to ensure the broadest representation possible. In addition, the City sends individual invitations to 300

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organizations and individuals concerned about affordable housing and community development issues.

The public review and comment period begins on April 5, 2006 and ends on May 5, 2006. The final Council Hearing will be held on May 9, 2006 at which time it is anticipated that the Council will consider all input received during the public comment period and adopt the final Plan.

COORDINATION

Preparation of this report was coordinated with the Department of Parks, Recreation, and Neighborhood Services and the City Attorney's Office.


LESLYE KRUTKO
Director of Housing

Attachments (2)



PLEASE POST

**NOTICE OF HEARINGS ON THE CONSOLIDATED PLAN
ANNUAL ACTION PLAN FOR 2006-2007
AND CALL FOR INFORMATION**

THIS NOTICE IS TO ANNOUNCE THAT A HEARING ON AFFORDABLE HOUSING NEEDS WILL BE HELD FEBRUARY 9, 2006 BEFORE THE HOUSING ADVISORY COMMISSION AT THE CITY OF SAN JOSE, SAN JOSÉ, CA 95113 AT 5:30 PM. Come give your views on affordable housing and community development needs in San José at this meeting. Your input will help shape the City's development of the federally required Consolidated Plan Annual Action Plan.

Once the City has heard comments on housing needs, it will then draft the 2006-2007 Consolidated Plan Annual Action Plan, which outlines the City's housing and community development needs and provides a one-year action plan to address those needs. The following table highlights the schedule for the completion of the Consolidated Plan Annual Action Plan:

What?	Who?	Where?	When?
Hearing on "Housing Needs" – Used for the development of the City's Consolidated Annual Action Plan.	Housing Advisory Commission	San Jose City Hall 200 E. Santa Clara Street Room W-118	February 9, 2006 @ 5:30 p.m.
Hearing on CDBG Applications	CDBG Steering Committee	San Jose City Hall 200 E. Santa Clara St Room W-118	February 14, 2006 6:00 p.m. – 9:00 p.m.
Hearing on CDBG Applications	CDBG Steering Committee	San Jose City Hall 200 E. Santa Clara Street Room W-120	February 22, 2006 6:00 p.m. – 9:00 p.m.
Discussion and Approval of CDBG Recommendations to City Council	CDBG Steering Committee	San Jose City Hall 200 E. Santa Clara Street City Council Chambers	March 1, 2006 6:00 p.m. – 9:00 p.m.
Draft document available for 30-day public review	Contact the Housing Department to receive a copy. (408) 975-4418	City of San Jose Housing Dept., 12 th Floor 200 E. Santa Clara Street	April 5, 2006
Housing Advisory Commission hearing on draft document	Housing Advisory Commission	San Jose City Hall 200 E. Santa Clara Street 12th Floor, Room T-1254	April 13, 2006 @ 5:30 p.m.
First City Council hearing	City Council	San Jose City Hall 200 E. Santa Clara Street City Council Chambers	April 11, 2006
End of 30-Day Public Comment Period			May 5, 2006
Final City Council hearing	City Council	San Jose City Hall 200 E. Santa Clara Street City Council Chambers	May 9, 2006
Submit Annual Plan to the US Department of Housing and Urban Development			May 15, 2006

COMMUNITY INPUT ABOUT HOUSING NEEDS IN SAN JOSE IS GREATLY APPRECIATED. Specifically, we are looking for your input on the housing needs of seniors, people who are disabled, and other special needs groups. Information can be provided verbally at one of the hearings noted above, or in writing to City of San Jose Housing Department, 200 E. Santa Clara Street, 12th Floor, San Jose, CA 95113. For questions about the Consolidated Plan and its schedule, call Melissa Whatley, Development Officer at the Department of Housing (408-975-4418). Persons needing special assistance under the Americans with Disabilities Act should call at least 48 hours prior to any hearing to ensure that their needs can be appropriately accommodated.

PARA RESIDENTES QUE HABLAN ESPANOL: Esta información sobre los Programas de Vivienda de la Ciudad de San José puede ser muy importante para Usted. Por favor traduzca este boletín.

CỬ DÂN NÓI TIẾNG VIỆT: Bản công cáo về chương trình đầu tư gia cư năm năm này có thể quan trọng đối với bạn. Xin hãy nhờ người chuyển ngữ cho bạn.

[illegible]

There was no meeting on criteria for 06-07 as this is a placement application only.

We are schedule to discuss criteria for the 07-08 CCS and CDI full application cycles on April 12, 2006.